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**(1) CERTAIN FINANCIAL INFORMATION FOR
THE NINE MONTHS ENDED 30 SEPTEMBER 2024
AND
(2) UPDATE ON EXPECTED 2024 ANNUAL PERFORMANCE**

This announcement is made by FIH Mobile Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

**(1) CERTAIN FINANCIAL INFORMATION FOR THE NINE MONTHS ENDED
30 SEPTEMBER 2024**

Further to the disclosure in the second paragraph on page 61 of the Company’s 2024 interim report as issued and published on 19 September 2024 (the “**2024 Interim Report**”), under applicable disclosure requirements of the Taiwan Stock Exchange Corporation, Hon Hai Precision Industry Co. Ltd. (for identification purposes only, being the Company’s ultimate controlling shareholder whose shares are listed on the Taiwan Stock Exchange Corporation) is required to disclose on or about 14 November 2024 (as currently scheduled) certain unaudited consolidated financial information of the Group for the nine months ended 30 September 2024 (the “**current period**”).

To facilitate timely dissemination of information to investors and potential investors in Hong Kong and Taiwan, the Company’s board of directors (the “**Board**”) would like to inform the Company’s shareholders and potential investors of the following unaudited consolidated financial information of the Group for the current period, which is extracted from the Group’s latest unaudited management accounts and other relevant information currently available:

IMPORTANT

As mentioned above, the Group’s results for the current period as set out in this announcement are unaudited, but have been reviewed in accordance with the relevant financial standards. The Group’s results of operations in the past have fluctuated and may in the future continue to fluctuate (possibly significantly) from one period to another period. Accordingly, the Group’s results of operations for any period should not be considered to be indicative of the results to be expected for any future period, and shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company. For more details, please refer to page 61 of the 2024 Interim Report in respect of the Group’s expected performance in the second half of 2024.

Condensed Consolidated Statement of Financial Position

	As at		
	30 September 2024	31 December 2023	30 September 2023
	US\$ '000	US\$ '000	US\$ '000
	(unaudited)	(audited)	(unaudited)
Current assets	3,464,088	3,458,939	4,232,214
Non-current assets	843,461	860,497	877,458
Current liabilities	(2,756,999)	(2,736,965)	(3,509,194)
Non-current liabilities	(19,864)	(21,099)	(21,740)
Total net assets	<u>1,530,686</u>	<u>1,561,372</u>	<u>1,578,738</u>

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	For the period from 1 July to 30 September	
	2024	2023
	US\$ '000	US\$ '000
	(unaudited)	(unaudited)
Revenue and other operating revenue	2,258,666	2,384,272
Profit (loss) for the period	5,432	(20,365)
Other comprehensive income, net of tax	20,622	19,734
Total comprehensive income (expense) for the period	<u>26,054</u>	<u>(631)</u>

	For the nine-month period ended 30 September	
	2024	2023
	US\$ '000	US\$ '000
	(unaudited)	(unaudited)
Revenue and other operating revenue	4,154,196	5,189,537
Loss for the period	(26,211)	(70,200)
Other comprehensive expense, net of tax	(3,815)	(133,314)
Total comprehensive expense for the period	<u>(30,026)</u>	<u>(203,514)</u>

Condensed Consolidated Statement of Cash Flows

	For the nine-month period ended 30 September	
	2024	2023
	US\$ '000	US\$ '000
	(unaudited)	(unaudited)
Net cash used in operating activities	(113,256)	(557,511)
Net cash used in investing activities	(186,094)	(13,968)
Net cash (used in) from financing activities	(326,170)	195,566
Effect of foreign exchange changes	13	(27,444)
Net decrease in cash and cash equivalents	(625,507)	(403,357)
Cash and cash equivalents, beginning of period	1,845,323	1,825,109
Cash and cash equivalents, end of period	<u>1,219,816</u>	<u>1,421,752</u>

The above information is subject to possible adjustments following further internal review and/or external auditor's review, and is not based on any figure(s) or information which has/have been reviewed by the Company's auditor or audit committee.

The Group's finalised audited consolidated final results and other related details will be disclosed in the 2024 final results announcement and annual report to be published by the Company.

(2) UPDATE ON EXPECTED 2024 ANNUAL PERFORMANCE

Reference is made to the Company's statements regarding the Group's expected performance for the full year ending 31 December 2024 ("FY 2024") on page 61 of the 2024 Interim Report (including the statements that the Company believes that there is a realistic likelihood of a year-on-year decline in FY 2024 sales due to the proactive optimisation of our customer portfolio and through expense-cutting measures, there is likely to be an improvement in our financial results in the second half compared to the first half, and year-over-year).

The Board informs shareholders of the Company and potential investors that, after further assessment of the Group's latest unaudited management accounts and other relevant information currently available, among others, the Company currently expects the Group to record a decrease in revenue and a significantly improved consolidated net loss for FY 2024 due to the factors outlined below.

The negative factors are:

- (i) As sales to major customers—except one—declined due to intense competition and changes in their outsourcing strategies, the Group recorded revenue of around US\$4,154 million for the current period, down from approximately US\$4,991 million for the same period of 2023 ("YTD Q3 2023"), and anticipates a potential year-on-year sales decline in FY 2024.
- (ii) Continuing adverse financial impact from the Group's under-utilised and unutilised assets.
- (iii) A decrease in the gain on land and building disposal by US\$102.1 million for the current period, as compared to a significant gain from the disposal of land and property recorded in YTD Q3 2023.
- (iv) An increase in the Group's interest expenses.
- (v) Payment of dividend withholding tax for the current period.
- (vi) A decrease in government subsidies, primarily from mainland China, for the current period.

The above negative factors are currently expected to be offset by:

- (i) A decrease in operating expenses of US\$67.0 million, totalling US\$113.3 million for the current period, compared to US\$180.3 million for the same period last year: (i) Selling expenses remained minimal; (ii) General and administrative (G&A) expenses significantly decreased, mainly due to a reduction in severance payments and staff optimisation, as well as lower general expenses and professional service fees and effective expense control; and (iii) Research and development (R&D) expenses decreased, driven by staff optimisation and tight expense control. The Group remains focused on prioritising future business spending, streamlining indirect labour, avoiding cost overruns, and reducing G&A and R&D expenses. While it expects gradual positive results from these efforts, low asset utilisation remains a significant challenge.
- (ii) A year-on-year improvement in 'Other Income' during the current period, mainly due to : (a) a slight increase in interest income; (b) an increase in foreign exchange gains, amounting to US\$6.0 million for the current period, compared to US\$0.4 million in YTD Q3 2023; and (c) a reduction in the 'Expected Credit Loss' allowance of US\$93.3 million, with the total allowance amounting to US\$2.8 million for the current period, compared to US\$96.1 million in YTD Q3 2023. It is currently expected that no large additional 'Expected Credit Loss' allowance is needed this year.
- (iii) An increase in the share of profit from one of the Group's associates.

Moreover, the negative factors and the risks indicated in the section headed “Risks and Opportunities of 2024”, from page 59 to page 60 of the 2024 Interim Report, have continued and are currently expected to persist through the remainder of 2024.

The Company has been working hard and doing everything that it reasonably can to improve its performance through these long-lasting challenging times.

As mentioned above, the Group’s finalised audited consolidated final results and other related details will be disclosed in the 2024 final results announcement and annual report to be published by the Company.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
CHIH Yu Yang
Chairman of the Board

Hong Kong, 6 November 2024

As at the date of this announcement, the board of directors of the Company comprises three executive directors, namely Mr. CHIH Yu Yang, Mr. LIN Chia-Yi (also known as Charles LIN) and Dr. KUO Wen-Yi; one non-executive director, namely Mr. CHANG Chuan-Wang; and three independent non-executive directors, namely Mr. LAU Siu Ki, Ms. CHEN Shu Chuan (also known as Nadia CHEN) and Mr. CHIU Yen-Tsen (also known as CHIU Yen-Chen, Dennis).